

SHAURYA EDUCATION LOAN

MOST IMPORTANT TERMS AND CONDITIONS

1. Purpose for which the loan can be availed:

Education Loan for spouse and ward(s) of DSP/ICGSP & CAPSP serving Officers in all Ranks for Studies in India & Abroad.

2. Courses Eligible:

a. Studies in India:

- Courses leading to Diploma (including integrated courses)/Graduate (including integrated courses)/Pathway courses leading to degree/diploma/Post-Graduate Degrees, post graduate Diplomas conducted by colleges/universities recognized by UGC/Govt./AICTE/ AIBMS/ ICMR, etc. post completion of 10+2 or equivalent.
- Courses like ICWA, CA, CFA, etc.
- Courses conducted by IIM, IIT, IISc, XLRI, NIFT, NID, ISB, etc.
- Courses offered in India by approved reputed foreign universities.
- Regular Degree/Diploma Courses like Aeronautical, Commercial Pilot Training, shipping etc., Degree/Diploma in Nursing or any discipline approved by Director General of Civil Aviation/Shipping/ respectively or any other regulatory Body as the case may be, if the course is pursued in India.

b. Studies abroad:

- Graduation: For job oriented professional/ Technical courses offered by reputed Institutions (including Foundation/Pathway/Integrated Courses)
- Post-graduation: MCA, MBA, MS, etc. Job oriented professional/ technical Post Graduate Diploma/ Certificate courses offered by reputed Institutions.
- Doctorate Programmes (Ph.D.) courses
- Courses conducted by CIMA (Chartered Institute of Management Accountants) - London, CPA (Certified Public Accountant) in USA etc.
- Degree/diploma courses like aeronautical, pilot training, shipping etc. provided these are recognized by competent regulatory bodies in India /abroad for the purpose of employment in India/abroad.

3. Student Eligibility:

- Spouse and ward(s) of DSP/ ICGSP & CAPSP Officers in all Ranks for studies in India and Abroad.
- Co-borrower must be DSP/ICGSP/CAPSP account holder in our Bank. The Salary/Pension account of the co-applicant should be with SBI throughout the loan tenure.

4. Expenses Considered for Loan:

- Fee payable to college/school/hostel
- Examination/Library/Laboratory fee
- Purchase of books/ equipments/ instruments/ uniforms, Purchase of computers - essential for completion of the course
- Any other expense required to complete the course - like study tours, project work, thesis, etc.
- Caution deposit /building fund/refundable deposit supported by Institution bills/receipts.
- Travel expenses/passage money for studies abroad.
- Cost of a two-wheeler upto Rs. 50,000 can be included in the expenses considered eligible for finance where the loan amount is secured by a suitable third-party guarantee and/or tangible collateral security.
- Premium of life insurance/ credit life policy assigned in favor of the Bank.

5. Loan Amount:

- Studies in India: up to ₹ 40 lakh
- Studies Abroad: up to ₹ 1.50 crore

6. Margin:

- Upto ₹ 4 lakh: Nil
- Above ₹ 4 lakh: 5 %
- The expenses connected with the Title investigation Report (TIR) of the borrower / Guarantor and valuation reports on the same will be borne by the borrower.
- Scholarship/ assistantship to be included in margin.
- Margin may be brought in as and when disbursements are made, on a pro-rata basis or while taking first disbursement.

7. Security:

- ❖ Study in India:
 - Upto ₹ 7.50 lakh: Nil
 - Above ₹ 7.50 lakh up to ₹ 40 lakh: Optional.
- ❖ Study abroad:
 - Upto ₹ 7.50 lakh: Nil
 - Above ₹ 7.50 lakh up to ₹ 40 lakh: Optional.
 - Above ₹ 40 lakh: secured only.
- ❖ For secured loan: Liquid collateral- 100% of Loan amount, or Property as collateral- 110% of loan amount.
- ❖ 6 months' time is provided to create Equitable Mortgage (EM) from the date of Sanction. A penal charge of 2% per month on outstanding to be charged in case there is delay in creation of EM beyond 6 months. The penalty will be charged from 7th month in case the security is not created within 6 months.
- ❖ The documents should be executed by both the student and the parent as joint-borrower. If the student is a minor, the documents will be signed by the guardian acting 'for self' as well as 'for and on behalf of the minor'.
- ❖ The co-obligator should be parent of the student borrower and should be DSP/ICGSP/CAPSP salary package account holder.

8. Appraisal, Sanction & Disbursement:

- Loan is sanctioned at the place of permanent residence/ place of employment of co-borrower/ location of property.
- The loan to be disbursed in stages as per the requirement/ demand directly to the Institutions/Vendors of books/ equipments/ instruments to the extent possible.
- In genuine cases, the fee already paid to the institute by the borrower from their own sources may be considered for reimbursement provided the reimbursement is claimed within 6 months of the payment, supported by verifying receipts/ proof of payment/ account statement etc.

9. Processing Charges:

- Loans upto ₹ 20.00 lacs: NIL
- Loans above ₹ 20 lacs: Rs. 10,000 (plus GST)

10. Rate of Interest:

- Kindly go to <https://sbi.co.in/web/interest-rates/interest-rates/loan-schemes-interest-rates/education-loan-scheme> for latest Rate of Interest applied.

11. Penal charge:

In the event of default in payment of any instalment or any irregularity in the loan account, penal charges will be applicable at the following rate plus applicable taxes:

- Irregularity upto 60 Days: 2.40% per annum on the irregular portion for the period of irregularity
- Continuous irregular for a period beyond 60 days: 5% per annum on the outstanding for the period of irregularity.

12. Repayment Holiday/ Moratorium:

- Repayment Holiday/ Moratorium: Course period plus 1 year, or 6 months after getting job, whichever is earlier.
- Servicing of Interest during Course & Moratorium is Optional. However, we advise to service the interest during course and moratorium period to reduce EMI burden.

13. Repayment Period:

- Repayment Period: Upto 15 years after completion of course & moratorium.
- If the student is not able to complete the course within the scheduled time, extension of time for completion of course may be permitted for a maximum period of 2 years. However, request for extension of course period to be made before the end of moratorium period.
- In case the interest is not serviced during course & moratorium, the accrued interest to be added to the principal and repayment to be fixed in Equated Monthly Installments (EMI).

14. Top Up Loan

- Second loan (Top Up) Loan within the overall limit is permitted to pursue a professional course in India or abroad provided such further studies are commenced during the moratorium period of the first loan and subject to the second loan being allowed with the security requirements as applicable to the aggregate loan limit.
- The projected income of the student, after placement, should be sufficient to cover full loan repayment. As the student will not be able to take up a job after completion of the first course, his obligation to repay the loan after one year of completion of the first course would also need to be deferred. In such cases, the moratorium period may be extended for the duration of the second course and the combined repayment shifted to one year after the completion of the second course.

Note: In cases where the student is pursuing higher studies by availing Second Loan from some other Bank, there will be no change in the moratorium period.

15. Timeline for Disposal of Loan Application

- Maximum 15 days, after the receipt of duly completed application with supporting documents.
- The timeline starts from the date of receipt of complete documents from the applicant and the time taken by the applicant for submitting documents and/ or for furnishing information sought by the Bank will not be taken into account for the purpose of timeline indicated above.
- All timeline counts will be on the basis of full working days. Wherever there is a need for verification etc. with various authorities/ Govt. bodies across one or more centres, a minimum of 15 additional working days will be applicable.
- We shall endeavor, at all times, to deliver within the indicated timelines, barring in situations and circumstances that are beyond the control of the Bank.

Customer Service:

For any service-related issue, customer can get in touch with SBI:

- Calling Customer Help Line Numbers
- Contact Customer Grievance Cell at our Local Head Offices
- Write to Grievance Cell at our Local Head Offices

(Details on Helpline Numbers and Grievance Cell available on www.sbi.co.in)

In case a customer is not satisfied with the handling of grievance by the Local Head Office, a communication may be sent (enclosing the message sent earlier to Local Head Office) to the -

Customer Service Department,
State Bank of India, State Bank Bhavan, 16th Floor
Madam Cama Road, Mumbai 400 021
Tel: 022-22029456, Fax: 022 22742431

E-mail address - customercare@sbi.co.in

Toll free number: 1800 – 1234, 1800 – 2100, 1800-11-2211, 1800-425-3800, 080-26599990

Disclosure:

State Bank of India is authorized to disclose from time to time any information relating to the loan to any credit bureau (Existing or Future) approved by Government of India and Reserve Bank of India without any notice to the borrower. State Bank of India is also authorized to make inquiries with any Credit Bureau and get the applicants' Credit Information Report.

*Terms & Conditions mentioned herein are subject to change without prior notice.